40

Form (2)

546-9
7.4.2015

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

# PERMIT

Permit No. 924/2015

Date 7th, April 2015

This Permit is issued by the Myanmar Investment Commission according to the section 13, sub-section (b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter MR. EISUKE IHARA

(b) Citizenship JAPANESE

(c) Address NO. 1-32-19, ASAHI-CHO, FUCHU-CITY, TOKYO, JAPAN 183-0003

(d) Name and Address of Principal Organization WORLD KAIHATSU KOGYO CO., LTD. NO. 7484 WATAUCHI, WAKAHO, NAGANO-CITY, NAGANO PREF. 381-0101, JAPAN

(e) Place of Incorporation JAPAN

(f) Type of Investment Business MANUFACTURING AND SALES OF ASPHALT CONCRETE FOR CONSTRUCTION AND ROAD PAVING WORK

(g) Place(s) at which Investment is permitted PLOT NO. 155 & 156, INDUSTRIAL ZONE-2, DAGON SEIKKAN TOWNSHIP, YANGON REGION

(h) Amount of Foreign Capital US$ 8.633 MILLION

(i) Period for Foreign Capital brought In WITHIN ONE YEAR FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) EQUIVLENT IN KYATS OF US$ 8.733 MILLION (INCLUDING US$ 8.633 MILLION)

(k) Construction Period ONE YEAR

(l) Validity of investment permit 50 YEARS

(m) Form of investment JOINT VENTURE

(n) Name of Company incorporated in Myanmar ASIA MYANMAR WKK JV COMPANY LIMITED

Chairman

The Myanmar Investment Commission

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

# ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၉၂၄/၂၀၁၅

၂၀၁၅ ခုနှစ် ဧပြီလ ၇ ရက်

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၃၊ ပုဒ်မခွဲ (ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည်-

(က) ရင်းနှီးမြှုပ်နှံသူ/ကမကထပြုသူ၏အမည် MR. EISUKE IHARA

(ခ) နိုင်ငံသား JAPANESE

(ဂ) နေရပ်လိပ်စာ NO. 1-32-19, ASAHI-CHO, FUCHU-CITY, TOKYO, JAPAN 183-0003

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ WORLD KAIHATSU KOGYO CO., LTD. NO. 7484 WATAUCHI, WAKAHO, NAGANO-CITY, NAGANO PREF. 381-0101, JAPAN

(င) ဖွဲ့စည်းရာအရပ် JAPAN

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား ကတ္တရာကုန်ကြမ်း တင်သွင်း၍ နိုင်လွန်ကတ္တရာ ထုတ်လုပ်ရောင်းချခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) မြေကွက် အမှတ် ၁၅၅နှင့် ၁၅၆၊ ဒဂုံဆိပ်ကမ်းစက်မှုဇုန်-၂၊ ဒဂုံဆိပ်ကမ်းမြို့နယ်၊ ရန်ကုန်တိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း ပမာဏ အမေရိကန်ဒေါ်လာ ၈.၆၃၃ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်ခွင့်ပြုမိန့်ရရှိပြီး ၁ နှစ် အတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၈.၇၃၃ သန်း နှင့်ညီမျှသော မြန်မာငွေ (အမေရိကန်ဒေါ်လာ ၈.၆၃၃ သန်း အပါအဝင်)

(ဋ) တည်ဆောက်မှုကာလ ၁ နှစ်

(ဌ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း ၅၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ဖက်စပ်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီ အမည် ASIA MYANMAR WKK JV COMPANY LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

THE REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION
No.(1), Thitsar Road, Yankin Township, Yangon

Our ref : DICA-3/FI-1098/2015(546-9)
Date : 7th April 2015

Tel:95-01-658128
Fax:95-1-658141

Subject: Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing and sale of Asphalt Concrete for Construction and Road Paving Works" under the name of "Asia Myanmar WKK JV Company Limited."

Reference: Asia Myanmar WKK JV Company Limited Letter dated (7-10-2014)

1. The Myanmar Investment Commission, at its meeting (3/2015) held on (27-2-2015), had approved the proposal for investment in "Manufacturing and sale of Asphalt Concrete for Construction and Road Paving Works" under the name of "Asia Myanmar WKK JV Company Limited" submitted as a Joint Venture between World Kaihatsu Kogyo Co., Ltd. (80%), World Trading Co., Ltd.(10%) from Japan and Asia Myanmar Consortium Development Co., Ltd. (10%) from the Republic of the Union of Myanmar .

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 50 (fifty) years commencing from the date of the issuance of MIC permit. The lease term of the land shall be initial 10 (ten) years and extendable 10 (ten) years in 2 (two) times by mutual agreement between Asia Myanmar Consortium Development Co., Ltd.(Lessor) and Asia Myanmar WKK JV Company Limited (Lessee).

4. The annual rent for the land shall be US $ 60,800 ( United State Dollar sixty thousand and eight hundred only) calculated at the rate of US$ 5 per square metre per year measuring of 12,141 square meter (3 acre). The rate of the rent shall be revised after every ten years and increase of the rent shall not be more than 5% of the preceding annual rent. At the expiry of the lease period, the lessee shall transfer the leased land to the lessor without any consideration and in good condition and shall leave all immovable items on 'as is 'basis.

5. In issuing this "Permit," the Commission has granted the followings exemptions and reliefs as per Chapter XII, section 27(a), (h) and (i) of Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project:-

(a) As per section 27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial production;

(b) As per section 27(h), exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction of business;

(c) As per section 27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

6. Asia Myanmar WKK JV Company Limited shall have to sign the Lease Agreement for land with Asia Myanmar Consortium Development Co., Ltd. Moreover, Asia Myanmar Consortium Development Co., Ltd. shall have to sign the joint venture agreement with World Kaihatsu Kogyo Co., Ltd. and World Trading Co., Ltd. After signing such Agreements, each of (5) copies shall have to be forwarded to the Commission.

7. Asia Myanmar WKK JV Company Limited in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.

8. Asia Myanmar WKK JV Company Limited shall use its best efforts for timely realization of works stated on the proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

9. Asia Myanmar WKK JV Company Limited has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be allowed more than twice except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, an emergency of State condition, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules if Asia Myanmar WKK JV Company Limited cannot construct completely in time the construction period or extension period, the Commission will have to withdraw the permit issued to the investor and there is no refund for the expenses of the project.

12. The commercial date of operation shall be reported to the Commission.

13. Asia Myanmar WKK JV Company Limited shall endeavour to meet the targets for production stated on the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of the Foreign Investment Law. Asia Myanmar WKK JV Company Limited has to follow the existing Labour Laws for the recruitment of

staffs and labours in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rule 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under Chapter I, section 2(i) of Foreign Investment Law, other than foreign currency.

16. Whenever Asia Myanmar WKK JV Company Limited brings in foreign capital defined under Chapter I, section 2(i) of the Foreign Investment Law, other than foreign currency in the manner stated on paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. Asia Myanmar WKK JV Company Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 of the Foreign Investment Rules and for account transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the Union and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of a citizen or a citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

18. Asia Myanmar WKK JV Company Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Asia Myanmar WKK JV Company Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct Environmental Impact Assessment (EIA) and Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity. It has to prepare, submit and perform activities in accordance with this EMP and abide by the environmental policy, Environmental Conservation Law and other environmental related rules and regulations meanwhile Asia Myanmar WKK JV Company Limited has submitted Environmental Impact Assessment (EIA) Report and Environmental Management Plan (EMP) through Green Myanmar Environmental Services Co., Ltd.

20. After getting permit from Myanmar Investment Commission, Asia Myanmar WKK JV Company Limited shall have to be registered at the Directorate of Industrial Supervision and Inspection.

21. Asia Myanmar WKK JV Company Limited shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake and install equipment such as water storage tank, fire extinguishers including sprinkler systems and alarm systems, provide training to use the fire fighting equipment and also appoint the fire safety officer.

22. Payment of principal and interest of the loan as well as payment for import of raw materials and spare parts etc., shall be made out of the local sales of Asia Myanmar WKK JV Company Limited.

23. Asia Myanmar WKK JV Company Limited in consultation with Myanma Insurance shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

(Zay Yar Aung)
Chairman

Asia Myanmar WKK JV Company Limited

cc:
1. Office of the Union Government of the Republic of the Union of Myanmar
2. Central Bank of Myanmar
3. Ministry of Home Affairs
4. Ministry of Foreign Affairs
5. Ministry of Environmental Conservation and Forestry
6. Ministry of Electric Power
7. Ministry of Immigration and Population
8. Ministry of Industry
9. Ministry of Commerce
10. Ministry of Finance
11. Ministry of National Planning and Economic Development
12. Ministry of Construction
13. Ministry of Labour, Employment and Social Security
14. Yangon Region Government
15. Director General, Fire Services Department
16. Director General, Department of Environmental Conservation
17. Director General, Immigration and National Registration Department
18. Director General, Directorate of Industrial Supervision and Inspection
19. Director General, Directorate of Trade
20. Director General, Internal Revenue Department

21. Director General, Customs Department
22. Director General, Directorate of Investment and Company Administration
23. Director General, Department of Human Settlement and Housing Development
24. Director General, Directorate of Labour
25. Managing Director, Myanma Electric Power Enterprise
26. Managing Director, Myanma Foreign Trade Bank
27. Managing Director, Myanma Investment and Commercial Bank
28. Managing Director, Myanma Insurance
29. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)